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Chrons**ROUTING AND RECORD SHEET****SUBJECT:** (Optional)

Closure of FBIS Bureau in Bahrain

FROM:R. E. Hineman
Deputy Director for Science and
Technology**EXTENSION****NO.****DATE****TO:** (Officer designation, room number, and
building)**DATE****RECEIVED****FORWARDED****OFFICER'S
INITIALS****COMMENTS** (Number each comment to show from whom
to whom. Draw a line across column after each comment.)1. Deputy Director for
Administration
7D18 Headquarters

2.

3.

6B4401, Headquarters

4.

5. Chief, Policy and
Coordination Staff, DO
6B4401, Headquarters

6.

7. Deputy Director for
Operations
7E26, Headquarters

8.

9. Comptroller
7E21 Headquarters

10.

11. Executive Registry
7E12 Headquarters

12.

Executive Director

13. Deputy Director of
Central Intelligence14. Deputy Director for
Science and Technology
6E45 Headquarters

15.

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MEMORANDUM FOR: Deputy Director of Central Intelligence

VIA: Executive Director
Deputy Director for Operations
Deputy Director for Administration

FROM: R. E. Hineman
Deputy Director for Science and Technology

SUBJECT: Closure of FBIS Bureau in Bahrain

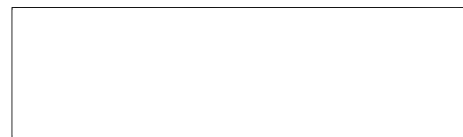
1. This memorandum contains a recommendation for your approval. This recommendation is contained in paragraph 7.

2. FBIS established Gulf Bureau in Bahrain in September 1979, following up on a TDY effort aimed at Iran and mounted from Kuwait. The bureau was established under the "Arc of Crises" decision to monitor Iran's regional radios, to improve coverage of Soviet regional radios, and to add additional Arabic resources to joint FBIS/BBC coverage of the area. Full operations were achieved in September 1980, and current staffing was reached in January 1982.

3. Our decision to recommend closure of Gulf Bureau is the result of a thorough review of the base program precipitated by the FY 86 Gramm-Rudman exercise. While the 1986 reductions have been accommodated without major impact on the FBIS Modernization Program, the outlook for FY 87-88 is of great concern. This action represents a positive contribution by FBIS to offset expected budget cuts in an attempt to complete the much needed Modernization Program. The choice of this bureau for closure was made after a thorough study of all major FBIS expenditure centers indicated that its closure would have the least impact on FBIS reporting relative to the resources saved. While the bureau is a valuable monitoring source, most of its coverage can be assumed by other FBIS bureaus or by the BBC Monitoring Service.

4. Another major factor leading us to this recommendation is the poor physical security offered this facility. The just completed Inspector General's report on FBIS expressed "particular" concern about security at Gulf Bureau and recommended that D/FBIS take action to improve it. Unfortunately, there is no room for FBIS in the new

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Embassy compound and a new facility on land adjoining the compound, if indeed such land can be obtained, will cost a minimum of \$3M, which FBIS does not have. A third major consideration in our decision is the high cost of non-U.S. personnel in Bahrain. It is impossible to hire local staff with the skills needed so Third Country Nationals must be used. The average annual cost for each such employee is \$50K, approximately double the FBIS average for foreign national employees.

5. FBIS estimates that closing Gulf Bureau by the end of FY 86 will result in savings of over \$800K in FY 87 and \$1.3M in FY 88. Some of these savings will have to be transferred to bureaus assuming Gulf coverage, but most will be available to apply to FBIS shortfalls.

6. Coverage Summary:

- + No major coverage will be lost
- + Coverage of Iran, Yemens, Soviet regionals will be less reliable
- + Most Arabic coverage will be regained at other bureaus, some improved with monitoring of the ARABSAT satellites from Nicosia starting in FY 87
- + Realignment of coverage -
 - Arabic coverage to BBC, Nicosia, Jordan
 - Persian coverage to Tel Aviv and Nicosia
 - Turkish coverage to Tel Aviv
 - USSR regional coverage to Tel Aviv, London via Islamabad

7. In view of resource savings and relatively limited impact on FBIS coverage of the region, I request your approval to close Gulf Bureau by 1 October 1986.

R. E. Hineman

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CONCUR:

Deputy Director for Administration

Date

Deputy Director for Operations

Date

Executive Director

Date

APPROVED:

Deputy Director of Central Intelligence

Date

DDS&T/FBIS/Ops 7Apr86)

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